



Rep. Barbara Flynn Currie

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1 AMENDMENT TO SENATE BILL 1556

2 AMENDMENT NO. _____. Amend Senate Bill 1556 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The State Employees Group Insurance Act of 1971
5 is amended by changing Section 3 as follows:

6 (5 ILCS 375/3) (from Ch. 127, par. 523)

7 Sec. 3. Definitions. Unless the ~~the~~ context otherwise
8 requires, the following words and phrases as used in this Act
9 shall have the following meanings. The Department may define
10 these and other words and phrases separately for the purpose of
11 implementing specific programs providing benefits under this
12 Act.

13 (a) "Administrative service organization" means any
14 person, firm or corporation experienced in the handling of
15 claims which is fully qualified, financially sound and capable
16 of meeting the service requirements of a contract of

1 administration executed with the Department.

2 (b) "Annuitant" means (1) an employee who retires, or has
3 retired, on or after January 1, 1966 on an immediate annuity
4 under the provisions of Articles 2, 14 (including an employee
5 who has elected to receive an alternative retirement
6 cancellation payment under Section 14-108.5 of the Illinois
7 Pension Code in lieu of an annuity), 15 (including an employee
8 who has retired under the optional retirement program
9 established under Section 15-158.2), paragraphs (2), (3), or
10 (5) of Section 16-106, or Article 18 of the Illinois Pension
11 Code; (2) any person who was receiving group insurance coverage
12 under this Act as of March 31, 1978 by reason of his status as
13 an annuitant, even though the annuity in relation to which such
14 coverage was provided is a proportional annuity based on less
15 than the minimum period of service required for a retirement
16 annuity in the system involved; (3) any person not otherwise
17 covered by this Act who has retired as a participating member
18 under Article 2 of the Illinois Pension Code but is ineligible
19 for the retirement annuity under Section 2-119 of the Illinois
20 Pension Code; (4) the spouse of any person who is receiving a
21 retirement annuity under Article 18 of the Illinois Pension
22 Code and who is covered under a group health insurance program
23 sponsored by a governmental employer other than the State of
24 Illinois and who has irrevocably elected to waive his or her
25 coverage under this Act and to have his or her spouse
26 considered as the "annuitant" under this Act and not as a

1 "dependent"; or (5) an employee who retires, or has retired,
2 from a qualified position, as determined according to rules
3 promulgated by the Director, under a qualified local
4 government, a qualified rehabilitation facility, a qualified
5 domestic violence shelter or service, or a qualified child
6 advocacy center. (For definition of "retired employee", see (p)
7 post).

8 (b-5) "New SERS annuitant" means a person who, on or after
9 January 1, 1998, becomes an annuitant, as defined in subsection
10 (b), by virtue of beginning to receive a retirement annuity
11 under Article 14 of the Illinois Pension Code (including an
12 employee who has elected to receive an alternative retirement
13 cancellation payment under Section 14-108.5 of that Code in
14 lieu of an annuity), and is eligible to participate in the
15 basic program of group health benefits provided for annuitants
16 under this Act.

17 (b-6) "New SURS annuitant" means a person who (1) on or
18 after January 1, 1998, becomes an annuitant, as defined in
19 subsection (b), by virtue of beginning to receive a retirement
20 annuity under Article 15 of the Illinois Pension Code, (2) has
21 not made the election authorized under Section 15-135.1 of the
22 Illinois Pension Code, and (3) is eligible to participate in
23 the basic program of group health benefits provided for
24 annuitants under this Act.

25 (b-7) "New TRS State annuitant" means a person who, on or
26 after July 1, 1998, becomes an annuitant, as defined in

1 subsection (b), by virtue of beginning to receive a retirement
2 annuity under Article 16 of the Illinois Pension Code based on
3 service as a teacher as defined in paragraph (2), (3), or (5)
4 of Section 16-106 of that Code, and is eligible to participate
5 in the basic program of group health benefits provided for
6 annuitants under this Act.

7 (c) "Carrier" means (1) an insurance company, a corporation
8 organized under the Limited Health Service Organization Act or
9 the Voluntary Health Services Plan Act, a partnership, or other
10 nongovernmental organization, which is authorized to do group
11 life or group health insurance business in Illinois, or (2) the
12 State of Illinois as a self-insurer.

13 (d) "Compensation" means salary or wages payable on a
14 regular payroll by the State Treasurer on a warrant of the
15 State Comptroller out of any State, trust or federal fund, or
16 by the Governor of the State through a disbursing officer of
17 the State out of a trust or out of federal funds, or by any
18 Department out of State, trust, federal or other funds held by
19 the State Treasurer or the Department, to any person for
20 personal services currently performed, and ordinary or
21 accidental disability benefits under Articles 2, 14, 15
22 (including ordinary or accidental disability benefits under
23 the optional retirement program established under Section
24 15-158.2), paragraphs (2), (3), or (5) of Section 16-106, or
25 Article 18 of the Illinois Pension Code, for disability
26 incurred after January 1, 1966, or benefits payable under the

1 Workers' Compensation or Occupational Diseases Act or benefits
2 payable under a sick pay plan established in accordance with
3 Section 36 of the State Finance Act. "Compensation" also means
4 salary or wages paid to an employee of any qualified local
5 government, qualified rehabilitation facility, qualified
6 domestic violence shelter or service, or qualified child
7 advocacy center.

8 (e) "Commission" means the State Employees Group Insurance
9 Advisory Commission authorized by this Act. Commencing July 1,
10 1984, "Commission" as used in this Act means the Commission on
11 Government Forecasting and Accountability as established by
12 the Legislative Commission Reorganization Act of 1984.

13 (f) "Contributory", when referred to as contributory
14 coverage, shall mean optional coverages or benefits elected by
15 the member toward the cost of which such member makes
16 contribution, or which are funded in whole or in part through
17 the acceptance of a reduction in earnings or the foregoing of
18 an increase in earnings by an employee, as distinguished from
19 noncontributory coverage or benefits which are paid entirely by
20 the State of Illinois without reduction of the member's salary.

21 (g) "Department" means any department, institution, board,
22 commission, officer, court or any agency of the State
23 government receiving appropriations and having power to
24 certify payrolls to the Comptroller authorizing payments of
25 salary and wages against such appropriations as are made by the
26 General Assembly from any State fund, or against trust funds

1 held by the State Treasurer and includes boards of trustees of
2 the retirement systems created by Articles 2, 14, 15, 16 and 18
3 of the Illinois Pension Code. "Department" also includes the
4 Illinois Comprehensive Health Insurance Board, the Board of
5 Examiners established under the Illinois Public Accounting
6 Act, and the Illinois Finance Authority.

7 (h) "Dependent", when the term is used in the context of
8 the health and life plan, means a member's spouse and any child
9 (1) from birth to age 26 including an adopted child, a child
10 who lives with the member from the time of the filing of a
11 petition for adoption until entry of an order of adoption, a
12 stepchild or adjudicated child, or a child who lives with the
13 member if such member is a court appointed guardian of the
14 child or (2) age 19 or over who is mentally or physically
15 disabled from a cause originating prior to the age of 19 (age
16 26 if enrolled as an adult child dependent). For the health
17 plan only, the term "dependent" also includes (1) any person
18 enrolled prior to the effective date of this Section who is
19 dependent upon the member to the extent that the member may
20 claim such person as a dependent for income tax deduction
21 purposes and (2) any person who has received after June 30,
22 2000 an organ transplant and who is financially dependent upon
23 the member and eligible to be claimed as a dependent for income
24 tax purposes. A member requesting to cover any dependent must
25 provide documentation as requested by the Department of Central
26 Management Services and file with the Department any and all

1 forms required by the Department.

2 (i) "Director" means the Director of the Illinois
3 Department of Central Management Services or of any successor
4 agency designated to administer this Act.

5 (j) "Eligibility period" means the period of time a member
6 has to elect enrollment in programs or to select benefits
7 without regard to age, sex or health.

8 (k) "Employee" means and includes each officer or employee
9 in the service of a department who (1) receives his
10 compensation for service rendered to the department on a
11 warrant issued pursuant to a payroll certified by a department
12 or on a warrant or check issued and drawn by a department upon
13 a trust, federal or other fund or on a warrant issued pursuant
14 to a payroll certified by an elected or duly appointed officer
15 of the State or who receives payment of the performance of
16 personal services on a warrant issued pursuant to a payroll
17 certified by a Department and drawn by the Comptroller upon the
18 State Treasurer against appropriations made by the General
19 Assembly from any fund or against trust funds held by the State
20 Treasurer, and (2) is employed full-time or part-time in a
21 position normally requiring actual performance of duty during
22 not less than 1/2 of a normal work period, as established by
23 the Director in cooperation with each department, except that
24 persons elected by popular vote will be considered employees
25 during the entire term for which they are elected regardless of
26 hours devoted to the service of the State, and (3) except that

1 "employee" does not include any person who is not eligible by
2 reason of such person's employment to participate in one of the
3 State retirement systems under Articles 2, 14, 15 (either the
4 regular Article 15 system or the optional retirement program
5 established under Section 15-158.2) or 18, or under paragraph
6 (2), (3), or (5) of Section 16-106, of the Illinois Pension
7 Code, but such term does include persons who are employed
8 during the 6 month qualifying period under Article 14 of the
9 Illinois Pension Code. Such term also includes any person who
10 (1) after January 1, 1966, is receiving ordinary or accidental
11 disability benefits under Articles 2, 14, 15 (including
12 ordinary or accidental disability benefits under the optional
13 retirement program established under Section 15-158.2),
14 paragraphs (2), (3), or (5) of Section 16-106, or Article 18 of
15 the Illinois Pension Code, for disability incurred after
16 January 1, 1966, (2) receives total permanent or total
17 temporary disability under the Workers' Compensation Act or
18 Occupational Disease Act as a result of injuries sustained or
19 illness contracted in the course of employment with the State
20 of Illinois, or (3) is not otherwise covered under this Act and
21 has retired as a participating member under Article 2 of the
22 Illinois Pension Code but is ineligible for the retirement
23 annuity under Section 2-119 of the Illinois Pension Code.
24 However, a person who satisfies the criteria of the foregoing
25 definition of "employee" except that such person is made
26 ineligible to participate in the State Universities Retirement

1 System by clause (4) of subsection (a) of Section 15-107 of the
2 Illinois Pension Code is also an "employee" for the purposes of
3 this Act. "Employee" also includes any person receiving or
4 eligible for benefits under a sick pay plan established in
5 accordance with Section 36 of the State Finance Act. "Employee"
6 also includes (i) each officer or employee in the service of a
7 qualified local government, including persons appointed as
8 trustees of sanitary districts regardless of hours devoted to
9 the service of the sanitary district, (ii) each employee in the
10 service of a qualified rehabilitation facility, (iii) each
11 full-time employee in the service of a qualified domestic
12 violence shelter or service, and (iv) each full-time employee
13 in the service of a qualified child advocacy center, as
14 determined according to rules promulgated by the Director.

15 (l) "Member" means an employee, annuitant, retired
16 employee or survivor.

17 (m) "Optional coverages or benefits" means those coverages
18 or benefits available to the member on his or her voluntary
19 election, and at his or her own expense.

20 (n) "Program" means the group life insurance, health
21 benefits and other employee benefits designed and contracted
22 for by the Director under this Act.

23 (o) "Health plan" means a health benefits program offered
24 by the State of Illinois for persons eligible for the plan.

25 (p) "Retired employee" means any person who would be an
26 annuitant as that term is defined herein but for the fact that

1 such person retired prior to January 1, 1966. Such term also
2 includes any person formerly employed by the University of
3 Illinois in the Cooperative Extension Service who would be an
4 annuitant but for the fact that such person was made ineligible
5 to participate in the State Universities Retirement System by
6 clause (4) of subsection (a) of Section 15-107 of the Illinois
7 Pension Code.

8 (q) "Survivor" means a person receiving an annuity as a
9 survivor of an employee or of an annuitant. "Survivor" also
10 includes: (1) the surviving dependent of a person who satisfies
11 the definition of "employee" except that such person is made
12 ineligible to participate in the State Universities Retirement
13 System by clause (4) of subsection (a) of Section 15-107 of the
14 Illinois Pension Code; (2) the surviving dependent of any
15 person formerly employed by the University of Illinois in the
16 Cooperative Extension Service who would be an annuitant except
17 for the fact that such person was made ineligible to
18 participate in the State Universities Retirement System by
19 clause (4) of subsection (a) of Section 15-107 of the Illinois
20 Pension Code; and (3) the surviving dependent of a person who
21 was an annuitant under this Act by virtue of receiving an
22 alternative retirement cancellation payment under Section
23 14-108.5 of the Illinois Pension Code.

24 (q-2) "SERS" means the State Employees' Retirement System
25 of Illinois, created under Article 14 of the Illinois Pension
26 Code.

1 (q-3) "SURS" means the State Universities Retirement
2 System, created under Article 15 of the Illinois Pension Code.

3 (q-4) "TRS" means the Teachers' Retirement System of the
4 State of Illinois, created under Article 16 of the Illinois
5 Pension Code.

6 (q-5) "New SERS survivor" means a survivor, as defined in
7 subsection (q), whose annuity is paid under Article 14 of the
8 Illinois Pension Code and is based on the death of (i) an
9 employee whose death occurs on or after January 1, 1998, or
10 (ii) a new SERS annuitant as defined in subsection (b-5). "New
11 SERS survivor" includes the surviving dependent of a person who
12 was an annuitant under this Act by virtue of receiving an
13 alternative retirement cancellation payment under Section
14 14-108.5 of the Illinois Pension Code.

15 (q-6) "New SURS survivor" means a survivor, as defined in
16 subsection (q), whose annuity is paid under Article 15 of the
17 Illinois Pension Code and is based on the death of (i) an
18 employee whose death occurs on or after January 1, 1998, or
19 (ii) a new SURS annuitant as defined in subsection (b-6).

20 (q-7) "New TRS State survivor" means a survivor, as defined
21 in subsection (q), whose annuity is paid under Article 16 of
22 the Illinois Pension Code and is based on the death of (i) an
23 employee who is a teacher as defined in paragraph (2), (3), or
24 (5) of Section 16-106 of that Code and whose death occurs on or
25 after July 1, 1998, or (ii) a new TRS State annuitant as
26 defined in subsection (b-7).

1 (r) "Medical services" means the services provided within
2 the scope of their licenses by practitioners in all categories
3 licensed under the Medical Practice Act of 1987.

4 (s) "Unit of local government" means any county,
5 municipality, township, school district (including a
6 combination of school districts under the Intergovernmental
7 Cooperation Act), special district or other unit, designated as
8 a unit of local government by law, which exercises limited
9 governmental powers or powers in respect to limited
10 governmental subjects, any not-for-profit association with a
11 membership that primarily includes townships and township
12 officials, that has duties that include provision of research
13 service, dissemination of information, and other acts for the
14 purpose of improving township government, and that is funded
15 wholly or partly in accordance with Section 85-15 of the
16 Township Code; any not-for-profit corporation or association,
17 with a membership consisting primarily of municipalities, that
18 operates its own utility system, and provides research,
19 training, dissemination of information, or other acts to
20 promote cooperation between and among municipalities that
21 provide utility services and for the advancement of the goals
22 and purposes of its membership; the Southern Illinois
23 Collegiate Common Market, which is a consortium of higher
24 education institutions in Southern Illinois; the Illinois
25 Association of Park Districts; and any hospital provider that
26 is owned by a county that has 100 or fewer hospital beds and

1 has not already joined the program. "Qualified local
2 government" means a unit of local government approved by the
3 Director and participating in a program created under
4 subsection (i) of Section 10 of this Act.

5 (t) "Qualified rehabilitation facility" means any
6 not-for-profit organization that is accredited by the
7 Commission on Accreditation of Rehabilitation Facilities or
8 certified by the Department of Human Services (as successor to
9 the Department of Mental Health and Developmental
10 Disabilities) to provide services to persons with disabilities
11 and which receives funds from the State of Illinois for
12 providing those services, approved by the Director and
13 participating in a program created under subsection (j) of
14 Section 10 of this Act.

15 (u) "Qualified domestic violence shelter or service" means
16 any Illinois domestic violence shelter or service and its
17 administrative offices funded by the Department of Human
18 Services (as successor to the Illinois Department of Public
19 Aid), approved by the Director and participating in a program
20 created under subsection (k) of Section 10.

21 (v) "TRS benefit recipient" means a person who:

22 (1) is not a "member" as defined in this Section; and

23 (2) is receiving a monthly benefit or retirement
24 annuity under Article 16 of the Illinois Pension Code; and

25 (3) either (i) has at least 8 years of creditable
26 service under Article 16 of the Illinois Pension Code, or

1 (ii) was enrolled in the health insurance program offered
2 under that Article on January 1, 1996, or (iii) is the
3 survivor of a benefit recipient who had at least 8 years of
4 creditable service under Article 16 of the Illinois Pension
5 Code or was enrolled in the health insurance program
6 offered under that Article on the effective date of this
7 amendatory Act of 1995, or (iv) is a recipient or survivor
8 of a recipient of a disability benefit under Article 16 of
9 the Illinois Pension Code.

10 (w) "TRS dependent beneficiary" means a person who:

11 (1) is not a "member" or "dependent" as defined in this
12 Section; and

13 (2) is a TRS benefit recipient's: (A) spouse, (B)
14 dependent parent who is receiving at least half of his or
15 her support from the TRS benefit recipient, or (C) natural,
16 step, adjudicated, or adopted child who is (i) under age
17 26, (ii) was, on January 1, 1996, participating as a
18 dependent beneficiary in the health insurance program
19 offered under Article 16 of the Illinois Pension Code, or
20 (iii) age 19 or over who is mentally or physically disabled
21 from a cause originating prior to the age of 19 (age 26 if
22 enrolled as an adult child).

23 (x) "Military leave" refers to individuals in basic
24 training for reserves, special/advanced training, annual
25 training, emergency call up, activation by the President of the
26 United States, or any other training or duty in service to the

1 United States Armed Forces.

2 (y) (Blank).

3 (z) "Community college benefit recipient" means a person
4 who:

5 (1) is not a "member" as defined in this Section; and

6 (2) is receiving a monthly survivor's annuity or
7 retirement annuity under Article 15 of the Illinois Pension
8 Code; and

9 (3) either (i) was a full-time employee of a community
10 college district or an association of community college
11 boards created under the Public Community College Act
12 (other than an employee whose last employer under Article
13 15 of the Illinois Pension Code was a community college
14 district subject to Article VII of the Public Community
15 College Act) and was eligible to participate in a group
16 health benefit plan as an employee during the time of
17 employment with a community college district (other than a
18 community college district subject to Article VII of the
19 Public Community College Act) or an association of
20 community college boards, or (ii) is the survivor of a
21 person described in item (i).

22 (aa) "Community college dependent beneficiary" means a
23 person who:

24 (1) is not a "member" or "dependent" as defined in this
25 Section; and

26 (2) is a community college benefit recipient's: (A)

1 spouse, (B) dependent parent who is receiving at least half
2 of his or her support from the community college benefit
3 recipient, or (C) natural, step, adjudicated, or adopted
4 child who is (i) under age 26, or (ii) age 19 or over and
5 mentally or physically disabled from a cause originating
6 prior to the age of 19 (age 26 if enrolled as an adult
7 child).

8 (bb) "Qualified child advocacy center" means any Illinois
9 child advocacy center and its administrative offices funded by
10 the Department of Children and Family Services, as defined by
11 the Children's Advocacy Center Act (55 ILCS 80/), approved by
12 the Director and participating in a program created under
13 subsection (n) of Section 10.

14 (Source: P.A. 95-331, eff. 8-21-07; 95-632, eff. 9-25-07;
15 96-756, eff. 1-1-10; 96-1519, eff. 2-4-11.)".